



PLAINS
LPG SERVICES, L.P.

June 15, 2012

Douglas Kramer
Deputy Director
Office of Americas and Asia
U.S. Department of State
Room ENR/EDP/AWH
Washington, DC 20520

Re: Issuance of New Presidential Permit for International Crossing by Pipeline
Name Change: Detroit River
(Our File No. L8406)

Dear Mr. Kramer:

Plains LPG Services, L.P. ("Plains LPG"), a Texas limited partnership, hereby submits this application ("Application") for a Presidential Permit to operate and maintain one recently-acquired border-crossing pipeline formerly owned by Dome Petroleum Corp. ("EDS Pipeline"). Plains LPG requests issuance of a new Presidential Permit reflecting sole ownership of the EDS Pipeline by Plains LPG and allowing Plains LPG to operate and maintain the EDS Pipeline for use in transporting liquefied hydrocarbons, consistent with the terms of the currently applicable Presidential Permit.

The EDS Pipeline crosses the United States-Canada border underneath the Detroit River, between Detroit, Michigan, in the United States and the city of Windsor in Ontario, Canada. This pipeline was one of two parallel pipelines constructed by American Brine, Inc. in the 1950s for the purpose of carrying liquid brine between the United States and Canada.¹ In 1972, Dome Pipeline Corporation ("Dome Pipeline") acquired both pipelines from American Brine, Inc. By letter dated May 19, 1972, Dome Pipeline notified the Department of State of the change in ownership of the pipelines. On July 10, 1972, Dome Pipeline submitted letters to the Army Corps of Engineers and the Department of State notifying each of Dome Pipeline's intention to convert the pipeline for use in transporting liquefied hydrocarbons and requesting further

¹ As explained in the June 7, 2010, Presidential Permit application submitted by Dome Petroleum Corp. and Kinder Morgan Cochin, LLC ("Dome/KM Application"), American Brine, Inc. was issued a Presidential Permit for the pipelines on October 23, 1957, granting American Brine, Inc. the authority to construct, connect, operate, and maintain the pipelines to carry liquid brine between the United States and Canada. The 2010 Dome/KM Application explained that the 1957 Presidential Permit was superseded by a new Presidential Permit issued on March 13, 1969, and the 1969 permit subsequently was amended to reflect ownership of the pipelines by Dome Pipeline and the use of the pipelines to transport liquefied hydrocarbons.

amendment of the Army Corps of Engineers permit and the Presidential Permit. Ownership of the two pipelines was then separated following the March 15, 2007, sale of Dome Pipeline to affiliates of Kinder Morgan Energy Partners LP. Immediately prior to the sale, Dome Pipeline transferred ownership of the EDS Pipeline to Dome Petroleum Corp. Following the sale, Dome Pipeline was converted from a Delaware corporation into a Delaware limited liability company, and changed its name to Kinder Morgan Cochin, LLC ("KM Cochin"). Thereafter, each of Dome Petroleum Corp. and KM Cochin was solely responsible for the maintenance of their respective pipeline and any liability associated with that pipeline.

On June 7, 2010, Dome Petroleum Corp. and KM Cochin submitted a joint application ("Dome/KM Application") requesting issuance of two new Presidential Permits reflecting ownership of the EDS Pipeline by Dome Petroleum Corp. and ownership of the Cochin Pipeline by KM Cochin.² The Department of State has not yet acted on the Dome/KM Application. While the 2010 Dome/KM Application was pending before the U.S. Department of State, Plains LPG acquired the EDS Pipeline following the indirect acquisition of Dome Petroleum LLC (formerly known as Dome Petroleum Corp.) by Plains LPG's affiliate, Plains Midstream Canada ULC ("Plains Midstream"). Specifically, Plains Midstream acquired BP Canada Energy Corporation, which owned Dome Petroleum LLC. Immediately following the acquisition by Plains Midstream, Dome Petroleum LLC became Plains Midstream Superior LLC, a Texas limited liability company, which subsequently merged with Plains LPG. This acquisition and merger resulted in the allocation and transfer of the EDS Pipeline to Plains LPG.

Plains LPG respectfully requests that this Application supersede the June 7, 2010, Dome/KM Application solely as it relates to the EDS Pipeline, and that the U.S. Department of State issue to Plains LPG a new Presidential Permit reflecting ownership of the EDS Pipeline by Plains LPG Services, L.P. and authorizing Plains LPG to operate and maintain the EDS Pipeline consistent with the terms of the existing Presidential Permit. As noted above, the October 23, 1957, Presidential Permit originally issued for the EDS Pipeline and Cochin Pipeline indicated the pipelines would be used to transport brine. Similarly, the March 13, 1969, Presidential Permit applicable to these pipelines indicates they were to be used to transport commercial fluids other than oil, natural gas, and other hydrocarbons. The EDS Pipeline Presidential Permit and related permits were subsequently modified to transport natural gas liquids in a liquid state under pressure, as indicated in the attached July 10, 1972, letters which were included with the 2010 Dome/KM Application.

² The Dome/KM Application was an amendment to an earlier application submitted September 22, 2008. Both of these applications are attached hereto.

As stated in the U.S. Department of State's procedures set forth in Public Notice 5092,³ entities to which border crossing pipelines are transferred are required to submit applications for new permits which contain "information explaining the nature of the entity, its ownership, its place of incorporation or organization, information concerning its acquisition of [the] relevant facility, bridge or border crossing from the prior permit holder and any other relevant information concerning its operation of the facility, bridge or border crossing." Furthermore, if the transferee commits to abiding by the relevant terms and conditions of the previously issued permits and further indicates that the operations of the relevant facility "will remain essentially unchanged from that previously permitted," then Public Notice 5092 states that, pursuant to 22 C.F.R. § 161.7(b)(3), the Department of State "does not intend to conduct an environmental review of the application under its regulations implementing the National Environmental Policy Act" unless "information is brought to its attention in connection with the application process that the transfer potentially would have a significant impact on the quality of the human environment."

Pursuant to the requirements of Public Notice 5092, Plains LPG provides the following information:

1. Plains LPG, which recently acquired the EDS Pipeline as described in detail above, is a Texas limited partnership with its principal place of business at 333 Clay Street, Suite 1600, Houston, Texas, 77002. Plains LPG is a subsidiary of Plains All American Pipeline, L.P. ("Plains"), a publicly traded master limited partnership organized under the laws of the State of Delaware and headquartered in Houston, Texas. Plains is engaged in the transportation, storage, terminalling and marketing of crude oil, refined products, and liquefied petroleum gas and other natural gas-related petroleum products.
2. Plains has assessed the past and current operations of the EDS Pipeline and hereby states that the future use of the pipeline to carry liquefied hydrocarbons under pressure will be substantially unchanged from the currently permitted use. The EDS Pipeline is being maintained under pressure and has cathodic protection in place to prevent corrosion although the pipeline is temporarily inactive and currently not carrying liquefied hydrocarbons. Plains LPG intends to resume service on the EDS Pipeline, operating the pipeline to carry liquefied hydrocarbons of substantially the same character, volume, and pressure as was previously carried on the pipeline. Therefore, once operations resume on the EDS Pipeline, operations of the EDS Pipeline by Plains LPG will remain essentially unchanged from the operations previously permitted. Plains LPG does not anticipate that the impact on the environment will change because Plains LPG has no immediate plans

³ Procedures for Issuance of a Presidential Permit Where There Has Been a Transfer of the Underlying Facility, Bridge or Border Crossing for Land Transportation, 70 Fed. Reg. 30990 (May 31, 2005) ("Public Notice 5092").

for any construction on the EDS Pipeline, will conduct the requisite pipeline integrity tests before resuming operations on the EDS Pipeline, and will continue to operate the EDS Pipeline as currently permitted.

3. Plains LPG will abide by the relevant terms and conditions of the currently effective authorizations for the EDS Pipeline and, as explained above, Plains LPG's operation of the EDS Pipeline will remain essentially unchanged from that previously permitted.
4. To the best of Plains LPG's knowledge, the EDS Pipeline does not have any prior history of environmental problems. The pipeline was last inspected by Dome Pipeline in 2006. Since its recent acquisition of the pipeline, Plains has not inspected the EDS Pipeline. In addition, Plains has an internal review process in which it examines the condition and operating history of its pipelines and gathering assets to determine if any of such assets warrant additional investment or replacement. Plains LPG will follow/is undertaking this review process for the recently acquired EDS Pipeline.

Furthermore, as required by the United States Department of Transportation ("DOT"), Plains LPG has in place an integrity management program that includes frequent inspections of pipelines, correction of identified anomalies, and other measures to ensure pipeline safety in "high consequence areas," such as high population areas, areas unusually sensitive to environmental damage, and commercially navigable waterways. Plains LPG is committed to operating and maintaining the EDS Pipeline consistent with the requirements of the DOT's Pipeline and Hazardous Materials Safety Administration, as well as Plains LPG's internal monitoring program and other applicable statutes and regulations.

Having provided the information above in accordance with the procedure set forth in Public Notice 5092, Plains LPG hereby requests that a new Presidential Permit be issued reflecting sole ownership of the EDS Pipeline by Plains LPG Services, L.P. and authorizing Plains LPG to operate and maintain the EDS Pipeline to transport liquid hydrocarbons between the United States and Canada. If you have any questions regarding this Application, please feel free to contact me at (713) 646-4143.

Respectfully submitted,

Lawrence Dreyfuss
Vice President,
General Counsel and Secretary

June 7, 2010, Presidential Permit Application
(with attachments)

LAW OFFICES
SIMON, GALASSO & FRANTZ, PLC

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June 7, 2010

Via Scanned Email and Certified Mail

J. Brian Duggan
Energy Officer
Bureau of Economic, Energy, and Business Affairs
U.S. Department of State
2201 C Street, NW
Rm 4843
Washington, DC 20520

Re: Issuance of New Presidential Permit For International Crossing by Pipelines

Mr. Duggan:

Dome Petroleum Corp., a North Dakota corporation ("Dome Petroleum"), and Kinder Morgan Cochin, LLC, a Delaware limited liability company ("Kinder Morgan") formerly known as Dome Pipeline Corporation ("Dome Pipeline"), file this Amended Application for two separate Presidential Permits for the operation and maintenance of two separate cross-border pipelines, commonly known as the Eastern Delivery System Pipeline ("EDS") and the Cochin Pipeline. These new permits are assignments from a single, existing permit covering both pipelines, which was assigned to Dome Pipeline in 1972 {see attachments}. The EDS Pipeline was acquired by Dome Petroleum from Dome Pipeline effective March 15, 2007. The Cochin Pipeline continues to be owned by Dome Pipeline, under the name of Kinder Morgan. This Amended Application is a supplement and replacement of the original application submitted on September 22, 2008.

Statements in this Amended Application pertaining to the period prior to March 15, 2007 should be attributed to Dome Petroleum, since it was in a supervisory and controlling position relative to permit holder Dome Pipeline during that time. Any statements pertaining to the period on or after March 15, 2007 should be attributed solely to Dome Petroleum with respect to the EDS Pipeline, and solely to Kinder Morgan with respect to the Cochin Pipeline.

A Permit allowing these pipelines to cross the international border was originally issued to American Brine, Inc. on October 23, 1957 (Permit 57-07-5). The permit granted American Brine the authority to construct, connect, operate and maintain two pipelines to carry liquid brine between the United States and Canada, and one electrical cable appurtenant thereto, crossing underneath the Detroit River between Detroit, Michigan and Windsor, Canada (collectively, the "Pipelines"). A new permit issued to American Brine on March 13, 1969 superseded this permit.

Following the sale of these pipelines to Dome Pipeline in 1972, this superseding permit was amended to reflect Dome Pipeline as the new owner, and to permit the pipelines to transport natural gas liquids (ethane, butane, propane and some condensate) in a liquid state under pressure (believed to be Permit 72-03-11). Copies of these earlier permits and prior correspondence involving the 1972 permit and 1969 amendment are attached.

On March 15, 2007 Dome Petroleum sold Dome Pipeline, its former subsidiary, to controlled affiliates of Kinder Morgan Energy Partners LP, a Delaware limited partnership with its principal office in Houston, Texas. Following the sale Dome Pipeline was converted from a Delaware corporation_ into a Delaware limited liability company, and it changed its name to Kinder Morgan Cochin, LLC, which is now the legal name of the former Dome Pipeline Corporation.

Immediately prior to the sale, Dome Pipeline transferred ownership of the EDS Pipeline to Dome Petroleum. Dome Pipeline, operating under the name of Kinder Morgan, retained its ownership interest in the Cochin Pipeline. Effective March 15, 2007, Dome Petroleum and Kinder Morgan assumed separate responsibility for their respective pipelines under the international crossing.

Because of the transfer of ownership of the EDS Pipeline to Dome Petroleum, it is necessary to obtain a new permit covering in the name of Dome Petroleum covering the EDS portion of the existing permit. Because the terms of the existing permit indicate that it must be operated in exactly the manner specified in the permit, including the restriction that no portion of it can be assigned, the transfer of one of the two pipelines to Dome Petroleum makes it is necessary for Kinder Morgan to also seek a new permit. Accordingly, Dome Petroleum and Kinder Morgan now seek to have two new Permits issued to reflect their respective ownership of the EDS Pipeline and the Cochin Pipeline, and their related crossings. These two Permits shall be in replacement of the single Permit held by Kinder Morgan, formerly known as Dome Pipeline Corporation, which covers both pipeline crossings.

According to the Federal Register notice issued on May 31, 2005, transferee entities are required to submit applications for new permits which contain "information explaining the nature of the entity, its ownership, its place of incorporation or organization, information concerning its acquisition of relevant facility, bridge or border crossing from the prior permit holder and any other relevant information concerning its operation of the facility, bridge or border crossing." (70 Fed. Reg. 30990). In addition, the notice provides that if the "transferee commits to abiding by the relevant terms and conditions of the previously-issued permit and further indicates that the operations of the relevant facility, bridge or border crossing will remain essentially unchanged from that previously permitted, the Department of State, pursuant to 22 CFR 161 .7(b)(3), does not intend to conduct an environmental review of the application under its regulations implementing the National Environmental Policy Act, 22 CFR part 161, unless information is

brought to its attention in connection with the application process that the transfer potentially would have a significant impact on the quality of the human environment."

Pursuant to the requirements set forth in the Federal Register, Dome Petroleum and Kinder Morgan each separately provide the following:

- (1) Kinder Morgan Cochin, LLC is a Delaware limited liability company with its principal office at 500 Dallas Street Suite 1000, Houston, TX 77002. It is, in respect to the Cochin Pipeline, engaged in the interstate, intrastate and international transportation of liquid petroleum products by pipeline. Kinder Morgan Cochin is a controlled affiliate of Kinder Morgan Energy Partners LP, a Delaware limited partnership. It was formerly known as Dome Pipeline Corporation.
- (2) On March 15, 2007, a controlled affiliate of Kinder Morgan Energy Partners LP acquired Kinder Morgan {then known as Dome Pipeline Corporation) from Dome Petroleum Corp., a North Dakota corporation. Prior to the sale, Dome Pipeline was engaged in the transportation of liquid petroleum products via pipeline between the United States and Canada, and interstate and intrastate within the United States, and between and through Canadian provinces.
- (3) Dome Petroleum and Kinder Morgan each have reviewed the past, current and anticipated future operation of their respective pipelines with respect to the border crossings referenced above. Dome Petroleum and Kinder Morgan each recognize that their respective pipelines carry petroleum products, natural gas liquids and other hydrocarbons through the border crossing, in accord with the existing permit. Dome Petroleum and Kinder Morgan each currently expect the anticipated future use of their pipelines through the border crossing will be substantially unchanged. Currently, the Cochin Pipeline is being used in this substantially similar manner. However, Dome Petroleum notes that the EDS Pipeline is temporarily inactive. It is not carrying any hydrocarbon product, but is being maintained under pressure and has cathodic protection to prevent corrosion. This is a temporary state, however. When the EDS Pipeline resumes operation it will carry liquefied hydrocarbon product of substantially the same character, volume and pressure as was previously carried. As such, Dome Petroleum and Kinder Morgan each believe that their respective operations involving their respective border crossings have and will continue to remain essentially unchanged from that previously permitted in the Permit assigned to Dome Pipeline in 1972. Accordingly, Dome Petroleum and Kinder Morgan believe that the impact on the environment of their respective pipeline crossings have not changed substantially. In addition neither Dome Petroleum nor Kinder Morgan

has any immediate plans for any construction on their respective pipelines. While there are no immediately anticipated changes for the operation of the EDS Pipeline or the Cochin Pipeline, Dome Petroleum and Kinder Morgan each expect that any future changes in use of their respective pipelines under the international crossing would be addressed in accordance with all applicable legislation.

- (4) Dome Petroleum and Kinder Morgan with regard to their individual pipelines will each abide by the terms and conditions of the Permit previously issued to Dome Pipeline. In addition, Dome Petroleum's operations of the EDS Pipeline and Kinder Morgan's operation of the Cochin Pipeline through the crossing of the international border will each remain essentially unchanged from operations previously authorized by the existing Permit.
- (5) Kinder Morgan was not actively involved with the operation of either the EDS or Cochin Pipelines prior to March 15, 2007, and hence has no actual knowledge of any material environmental problems related to either pipeline prior to that time, or the EDS Pipeline after that date. Kinder Morgan has no knowledge of any material environmental problems relating to the Cochin pipeline after that date. Dome Petroleum has no knowledge of any material environmental problems related to either the EDS or Cochin Pipelines in connection with the crossing of the international border between the period when the existing Permit was assigned in 1972 through March 15, 2007, or with regard to the EDS Pipeline after that date. Going forward, the inspection and maintenance programs operated by both Dome Petroleum and Kinder Morgan, covering their respective pipelines are intended, in part, to prevent environmental problems related to their respective pipelines. These pipelines are subject to the rules and regulations of the US Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA). Dome Petroleum and Kinder Morgan each believe, to the best of their respective knowledge as of the date of this letter, that they are in substantive compliance with the DOT PHMSA's hazardous liquid pipeline safety regulations stated in 49 CFR Part 195, as amended. Moreover, the mechanical integrity of the EDS and Cochin Pipelines are currently managed in accordance with Dome Petroleum's and Kinder Morgan's respective company integrity management programs. These programs involve regular internal inspections of the pipelines in addition to other regularly scheduled activities and the programs specify actions to be taken if any problems are discovered during inspection. These integrity management programs have been reviewed with PHMSA and allowed as acceptable methods of maintaining the integrity of a pipeline system.

There are no reports generated from these PHMSA inspections for the international crossings because there were no environmental problems or

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deficiencies of any sort under the PHMSA inspections. No reports are required to be generated unless the inspections identify areas of concern. Requiring reports on thousands of miles of compliant pipeline would create an unreasonable administrative burden on the pipeline companies, and hence reports are only required if problems are identified. However, the very fact that no reports were generated or corrective actions were required is itself indirect evidence that there are no problems regarding these pipeline crossings which might raise environmental concerns.

Having provided the information above in accordance with the procedure set forth in 70 Fed. Reg. 30990, Dome Petroleum and Kinder Morgan hereby request that two new Presidential Permits be issued, one to each of them, reflecting their ownership of the EDS Pipeline and the Cochin Pipeline crossings, respectively.

If you have any questions, please feel free to contact me at the address and telephone number provided above.

Very truly yours,

SIMON, GALASSO & FRANTZ, PLC

Kenneth G. Frantz
Enclosures